**TONG GUAN FOOD PRODUCTS PTE. LTD.**

**v.**

**HOE HUAT HNG FOODSTUFF PTE. LTD.**

COURT OF APPEAL, SINGAPORE
YONG PUNG HOW CJ, LAI KEW CHAI J, GOH JOON SENG J
[CIVIL APPEAL NO. 61 OF 1990]
30 MAY 1991

***TORT:*** *Passing off - Get-up - Reputation - Name, mark or other indicia - Well known - Connection with business or goods - Reliance on packaging - Whether unique or distinctive - Advertising - Non-visual media - Emphasis on brand name and not the get-up - Ordinary packaging - Identification by name - Get-up not registered as a trade mark. Misrepresentation - Indirect - Whether calculated to deceive - Confusion in customer's mind - Test of brand conscious consumer - Evidence of actual confusion - Packaging and circumstances of sale - Ordinary purchaser using ordinary caution - Damage - Inference - Rebuttable - Likelihood of damage.*

The appellant company which was incorporated in 1980 sells and markets salted cashew nuts and almonds under the brand name '*Tong Garden*' (TG). In 1975, the appellant introduced clear plastic packs for its products and in 1978, it introduced dark blue and white aluminum foil packs in a narrow shape with arc colour separation for its salted roasted peanuts. This was later changed to the current broad shape and similar aluminum packs was also introduced for the salted cashew nuts and salted almonds.

The respondent company also sells the same products as the appellants and in 1985, the respondent marketed its *'Deer Brand'* salted cashew nuts in pale blue and white aluminum foil packs with wave colour separation. In 1988, this packaging was changed to dark blue and white with arc colour separation for the salted cashew nuts and spicy almonds.

The appellant obtained an interim injunction restraining the respondent from packaging and marketing its cashew nuts and almonds on the ground that the packaging constituted passing off. The respondent obtained a discharge of this interim injunction.

The learned Judicial Commissioner held that the plaintiff had failed to prove any reputation in respect of its aluminum foil pack for its cashew nuts and almonds, and that there had been no misrepresentation by the defendant. He dismissed the plaintiff's claim with costs, and the plaintiff appealed to this Court.

**Held:**

**[1]** From an overall impression of the packaging, it is clear that the appellant is entitled to rely on the packaging as a whole as a distinctive get-up, and that there is a capricious addition to the article itself.

**[2]** The appellant must also show that the get-up is well known in connection with its business, that is, the reputation of the get-up must be established. The appellant must prove that the mark, name or other indicia on which it relies is well known in connection with a business in which it has goodwill, or with goods connected with that business, and is distinctive of those goods or that business.

**[3]** In the present case, the cashew nuts or spicy almonds *per se* are not goods which are unique to the appellant; what the appellant has to show is that the packaging is well known in connection with the appellant's business. There is nothing about the shape or the size or

the material used in the packaging by the appellant that sets these 2 products apart from the market. There is also nothing distinctive about the use of photographs of the nuts contained within.

**[4]** There is no evidence as to how the Chinese educated identify the appellant's products, as to whether they rely on '*Tong Garden*', the Chinese characters as and when they appear, the get-up or otherwise. The only inference that can be drawn is that the advertising emphasised the brand name and not the get-up. It is a reasonable inference, as the advertisements (mainly in Chinese) of the cashew nuts were by way of non-visual media, that the words '*Tong Garden*' must have been spoken and that the consumers would be enjoined in the advertisements to look for '*Tong Garden*' and not for the blue and white cashew nuts.

**[5]** The appellant's packaging is very ordinary. It is of a common size, of a common shape and of a common material. Furthermore, the public know the appellant's product by name. The identification by name is something which featured prominently in the evidence of the appellant's witnesses.

**[6]** Where the get-up has not been registered as a trademark, it is much more difficult to establish reputation. Conversely, if, in addition to other evidence adduced, the get-up has been registered as a trade mark, it has been easier for a party to establish reputation in the get-up.

**[7]** The appellant's get-up had been in use for 5 years, there had been changes in the get-up, it had not been registered as a trade mark, and there is no evidence that the market had identified the get-up with the appellant's products. Therefore, the appellant has not proven reputation of the get-up of either the cashew nuts or the almonds.

**[8]** The misrepresentation alleged in this case is an indirect one. In such cases the point to be decided is whether, having regard to all the circumstances of the case, the use by the respondent in connection with the goods of the mark, name or get-up in question impliedly represents such goods to be the goods of the appellant or, as it is sometimes put, is calculated to deceive.

**[9]** It is necessary to take into account the nature of the purchasing public, the extent of confusion and the way in which confusion arises. The test for comparison of confusingly similar names, marks or other distinguishing indicia is not to compare them side by side but to take into account the fact that confusion which may occur will take place when the customer has in his mind his recollection of the appellant's mark which may well be only an idea of the whole or actual mark.

**[10]** The learned Judicial Commissioner applied the test of the brand-conscious consumer. This test does not appear to be supported by authority; the authorities in fact show that the test is a purchaser using ordinary caution. Given that there is no evidence of actual confusion, the packages at hand and the circumstances of sale were examined.

**[11]** Looking at the various exhibits and taking into account the many differences in the packaging, and the fact that the brand name is important and prominently displayed, there has been no misrepresentation in this case. Furthermore, although illiteracy has been referred to in many of the previous cases, this must be an evaporating consideration in the Singapore of today. An ordinary purchaser using ordinary caution in Singapore would know enough English or Chinese to read the brand name in one of the two languages that appear on the '*Tong Garden*' products regardless whether they are English or Chinese educated.

**[12]** The inference of likelihood of damage to the appellant's goodwill is rebutted by the evidence of the sets of figures supplied by the appellants and oral evidence. It is thus a reasonable inference that the reduction in sales volume of the appellant could have been caused by the competition of *Deer Brand* products. In any event, the possibility of damage was rebutted by the appellant's own evidence; the appellant's sales figures showed that in fact the monetary value of sales increased. There is absolutely no evidence of any likelihood of damage.

**[13]** The mere shortage of time in which the appellants have been using the get-up is not necessarily fatal. Heavy advertising over a short period of time may be sufficient.

*[Appeal dismissed with costs.]*

**Cases referred to:**
*Allen & Co. v. Brown Watson [1965] RPC 191* ***(cit)***
*Boh Plantations Sdn. Bhd. v. Gui Nee Chuan [1975] 2 MLJ 213* ***(dist)***
*Bryant & May Ltd. v. United Match Industries Ltd. [1932] 50 RPC 12* ***(dist)***
*De Cordova v. Vick Chemical Co. Ltd. [1951] 68 RPC 103* ***(foll)***
*Hoffman-La Roche v. DDSA Pharmaceuticals [1972] RPC 1* ***(dist)***
*Jarman & Platt Ltd. v. I. Barget Ltd. [1977] FSR 260 (foll)*
*J B Williams & Co. v. Bronnley & Co. Ltd. [1909] 26 RPC 765* ***(foll)***
*J and J Colman Ltd. v. Farrow & Co. [1898] 15 RPC 198* ***(dist)***
*Malaysia Dairy Industries Pte. Ltd. v. Yaukult (Singapore) Pte. Ltd. [1980] 1 MLJ 202* ***(foll)***
*Newsweek Inc. v. British Broadcasting Corp. [1979] RPC 441* ***(foll)***
*Roche Products Ltd. v. Berk Pharamceuticals Ltd. [1973] RPC 472* ***(foll)***
*Sodastream Ltd. v. Thorn Cascade Co. Ltd. [1982] RPC 459* ***(dist)***
*Stannard v. Reay [1967] RPC 589* ***(cit)***
*White Hudson & Co. v. Asian Organisation Ltd. [1965] 31 MLJ 186* ***(dist)***

*For the appellant/plaintiff - Kan Ting Chiu; M/s. C.P. Lee & Co.*
*For the respondent/defendant - Aloysius Leng; M/s. Abraham Low & Partners*

**JUDGMENT**

**Yong Pung How CJ:**

This is an appeal against the decision of the learned Judicial Commissioner who dismissed the appellant's claim for passing off. The counterclaim was stood down by consent and transferred to the Subordinate Courts. After the appeal was heard, we dismissed it and we now give our reasons.

***The facts***

The appellant is a company incorporated in Singapore in 1980. In the course of its business it markets and sells peanuts, cashew nuts and almond products under the brand name "*Tong Garden*". It is a well established business, its predecessor Tong Guan Products having been set up in 1964. In 1975, Tong Guan Products had introduced clear plastic packs for its products. In 1978, Tong Guan Products had introduced dark blue and white aluminum foil packs for *Tong Garden* salted roasted peanuts in a narrow shape with arc colour separation. In 1983, after incorporation, the appellant changed the aluminium foil packs for *Tong Garden* roasted peanuts to the current broad shape and introduced similar aluminium foil packs for *Tong Garden* salted cashew nuts in dark blue and white with arc colour separation. This was extended to *Tong Garden* salted almonds in 1988. It is this dark blue packaging in respect of which the appellant alleges that there has been passing off by the respondent.

The defendant is a company which is also incorporated in Singapore. Among its businesses it also sells the same products as the plaintiff. In 1985, the respondent marketed its "*Deer Brand*" salted cashew nuts in pale and white aluminum foil packs with wave colour separation. In October 1988 the respondent changed its packaging for *Deer Brand* salted cashew nuts to dark blue and white with arc colour separation. By November 1988 the respondent also marketed *Deer Brand* spicy almonds in aluminum foil packs of dark blue and white with arc colour separation.

In November 1988, the appellant took out an interim injunction restraining the respondent from packaging and marketing its cashew nuts and almonds on the ground that the packaging constituted passing off. On 7 December 1988, the respondents successfully applied to have the interim injunction discharged.

The action was tried in the High Court in April and July 1990. The learned Judicial Commissioner held that the plaintiff had failed to prove any reputation in respect of its aluminum foil pack for its cashew nuts and almonds, and that there had been no misrepresentation by the defendant. He dismissed the plaintiffs claim with costs, and the plaintiff appealed to this Court.

***The law***

The law of passing off is well established. The appellant must establish reputation in the get up, misrepresentation and likelihood of damage. In this case, proof of likelihood of damage rather than damage is needed because the pleadings were amended to reflect this.

***Reputation in the get-up***

Get-up was defined by Fletcher Moulton LJ in *J B Williams & Co. v. Bronnley & Co. Ltd.* [1909] 26 RPC 765 as:

> a capricious addition to the article itself - the colour or shape it may be, of the wrapper or anything of that kind.

He added:

> I strongly object to look at anything, that has a value in use, as part of the get-up of the article.

In *Jaman & Platt Ltd. v. I. Barget Ltd.* [1977] FSR 260 Megaw LJ was prepared to be less restrictive in considering what constituted get-up and considered the possibility of get-up consisting of "the characteristics of the product itself such as the shape or colour of the article itself". He observed however that in such a case the necessary proof of reputation was not easy and held that in the case before him reputation was not proved.

The get-up of the appellant's packaging for salted cashew nuts can be described as follows. The package is made of aluminum foil. It is rectangular in shape approximately 11 cm by 9 cm. Looking at it from the side which has the words '*Tong Garden*', there is a dark blue arc that runs across the front from left to right with the thickest portion of the arc in the middle. This arc covers about one third of the total area. The words "*Tong Garden*" are written across the top of the arc in bold yellow letters. Beneath these words is written "Salted Cashew nuts" in white bold lettering of a smaller size than the words "*Tong Garden*". Beneath the arc, the package is white in colour. This white portion covers the bottom two thirds of the package. There are photographs of cashew nuts super-imposed on the lower half of the package where the white portion is. In 1983 when the package was introduced, 50 grammes of cashew nuts were packed into each pack. At present 45 grammes are packed into each pack.

The exhibits include some photographs of the packaging where the words "Premium Quality" appear in a red circle near the bottom right hand corner. In these photographs, there is also a white rectangle at the bottom left hand corner. In the rectangle is a lion with 4 Chinese characters. Beneath the words "Salted Cashew nuts" in English are 6 Chinese characters which state the brand name. However, these markings appear in some photographs of the packages on display, but do not appear in other photographs. It is obvious that there have been some changes in the packaging. Furthermore, during the appeal, it was conceded that these markings are not consistently used. The packing for the spicy almonds is similar except for the words "Almonds" in place of "Cashewnuts".

From our overall impression of the packaging, it is clear to us that the appellant is entitled to rely on the packaging as a whole as a distinctive get-up, and that there is a capricious addition to the article itself. This is only one aspect however of what the appellant must establish. The appellant must also show that the get-up is well known in connection with its business, i.e. the reputation of the get-up must be established. The appellant must prove that the mark, name or other indicia on which it relies is well known in connection with a business in which it has goodwill, or with goods connected with that business, and is distinctive of those goods or that business. In this case, the appellant is relying on the get-up of the cashew nuts and salted almonds packaging. The only way in which a person can acquire reputation in a mark, name or other indicia is by using it in connection with his business or goods. The precise extent of use required depends on the nature of the particular mark, name or indicia used and of the business or goods concerned.

In the case of *White Hudson & Co. v. Asian Organisation Ltd.* [1975] 31 MLJ 186 the goods in question were "Hacks" sweets which were wrapped in red coloured cellophane paper on which the word "Hacks" was printed. Lord Guest said on p. 188 that:

> The essence of a passing off action is that A is not entitled to represent his goods as the goods of B or enable someone else to do so (*John Brinsmead & Sons Ltd. v. Brinsmead* 30 RPC 493). The fist matter which a plaintiff must prove in a passing off action is that the get-up of his goods has become distinctive of these goods and that it was associated or identified with them. This is a question of fact and upon this the appellants have the finding of the trial Judge in their favour. Their Lordships are satisfied that the trial Judge was justified in so finding. *The fact that non English speaking customers were in the habit of asking for "red paper cough sweets" shows clearly that to these customers the get-up of the red coloured wrapper had become associated or identified with the appellants' goods* (Emphasis is mine ). An attempt was made by the respondents to show that the red coloured wrappers were common to the trade. This attempt failed, as it was clear on the evidence that prior to 1953 no wrapper similar to that used on the appellant's sweets had ever been used in Singapore, and from 1953-1958 the appellants' sweets were the only sweets so wrapped which were sold in Singapore.

In *Hoffman-La Roche v. DDSA Pharmaceuticals* [1972] RPC 1, the plaintiffs manufactured and marketed that drug *chlordiazepoxide* under the registered mark "*Librium*" in distinctive black and green capsules bearing the word "*Roche*" on each capsule. The defendants proceeded to market and advertise the drug *chlordiazepoxide* in black and green 10 mg. capsules which were identical to those of the plaintiffs except that they bore the letters "*DDSA*" instead of the plaintiffs' name. It was held that the public associated the green and black capsules with the plaintiffs even if they did not know the identity of the plaintiffs. Harman LJ said that goods of a particular get-up just as much proclaim their origin as if they had a particular name attached to them, and it is well-known that when goods are sold with a particular get-up for long enough to be recognised by the public as goods of a particular manufacturer it does not matter whether you know who the manufacturer is. It was further

held that in spite of the fact that in this case the goods were not sold over the counter and the public had little or no choice, if the defendants were permitted to put an article on the market with an almost identical get-up to that of the plaintiffs' goods, the public would be misled into thinking that they were acquiring their medicine from the same original, reliable, albeit unknown, source as previously. It was significant in this case that the plaintiffs were the only persons who had produced the green and black capsule for the previous ten years, and that in 1968 alone 328 million such capsules were sold. The Judges also placed emphasis on the evidence of repeat prescriptions and that patients would be resistant to taking something other than the green and black capsules.

*Hoffman-La Roche v. DDSA Pharmaceuticals* was distinguished in *Roche Products Ltd. v. Berk Pharmaceuticals Ltd.* [1973] RPC 473 which also concerned colour schemes in get-up. The plaintiffs in a passing off action had for several years marketed on a very large scale a tranquilizer comprising the drug *diazepam* (*DZP*) which was sold under the name "*Valium*". The drug was made in the form of tablets of different dosages, and in particular there was a 2 mg. dose in the form of a white tablet and a 5 mg. dose in the form of a yellow tablet. These tablets, which were circular, each bore the name "*Roche*" in very small letters and either the number 2 or 5 and also a single score mark. The defendants, having obtained a compulsory licence under the relevant patent to market the drug, put on 2 and 5 mg. tablets which were in substance identical in appearance to those of the plaintiffs, save that they bore the name "*Berk*" rather than "*Roche*", and it was conceded that the general appearance of the plaintiffs' tablets had been copied. Russell LJ said at p. 484:

> It was of course much stressed in argument that there was no ground upon which the defendants could avoid the application to this case of the reasons which particularly led me in the *DDSA* case to conclude that the consumer would have attributed a single source to the green and black capsule in that case. There, as here, the defendants indicated that they had chosen the particular appearance to avoid patients raising queries when the same medicament was dispensed (the product of the defendants) with an appearance different from that in which it had previously been dispensed (the product of the plaintiffs). I took the view that there was nothing to suggest that patients would continue to query the matter if it was explained to them that the difference indicated only a difference in source, unless they attached importance to source, and that the defendants' insistence on the green/black capsule therefore was itself a pointer towards the source-identification in patients' minds of the green and black appearance. But the appearance of the capsule in the *Hoffman-La Roche v. DDSA* [1972] RPC 1 case was unique in the field of medicaments (see Dr. Marks' evidence referred to above) and striking, and as such of its nature far more likely to convey to a patient's mind an impression of one source than the common-place tablets in the present case. It may seem a narrow distinction, but in the present case it might well be that if the plaintiffs' tablets had, for example, each been layered in two colours, the result would have been different. *On the whole, I conclude that the evidence does not sufficiently establish that the very ordinary appearance of the plaintiffs' white and yellow DZP tablet has led consuming patients to attribute them to one manufacturing trade source or provenance* (Emphasis is mine): and unless there be such an attribution, the defendants' substantial copying of that very ordinary appearance cannot be a representation that their product is the product of the plaintiffs or more than a representation that it contains the medicament *DZP*.

The case of *Sodastream Ltd. v. Thorn Cascade Co. Ltd.* [1982] RPC 459 was referred to by Counsel for the appellant. In that case the plaintiffs marketed refillable carbon dioxide cylinders for use in home carbonating machines. Empty cylinders were returned to the plaintiffs who would refill them and send them back to the retailers for re-sale. Having purchased an initial cylinder, the customer would, by exchanging cylinders, thereafter purchase only the gas consumed. The cylinders were embossed on the valve with the "*Sodastream*" trade mark;

some were painted grey and others (far fewer in number) blue, and prior to being marketed, all the cylinders had a red and white label affixed indicating that they had been filled by the plaintiffs. From 1974 to 1979 these cylinders had been marketed through a company in the defendant's group. In 1979, having severed their trade connection with the plaintiffs, the defendants entered the market on their own account and in January 1980, produced a home carbonating machine under the name "*Thorn Cascade*". The cylinders used in the defendants' machine were, save as to colour, identical to those of the plaintiffs, the cylinders of both parties being fully interchangeable in use. From time to time retailers returned to the plaintiffs empty cylinders originating from the defendants and *vice versa*. In June and September 1980 the defendants intimated that it was their intention to refill such of the plaintiffs' cylinders as should come into their possession. These cylinders were not to be repainted, but the defendants intended to superimpose "*Thorm Cascase*" labels upon the name and trade mark which appeared upon the plaintiffs' cylinders. In May 1981 the plaintiffs issued a writ and applied for an interlocutor injunction, in essence to restrain the defendants from refilling and marketing cylinders originating from the plaintiffs pending trial. Whitford J refused the application for an interlocutory injunction. On appeal to the Court of Appeal it was held, allowing the appeal and granting an interlocutory injunction, that there was a serious issue to be tried; the colour grey, applied to cylinders, was distinctive of the plaintiffs' product if only because, from 1974 to 1979, the plaintiffs' cylinders were the only ones on the market. *Hoffman-La Roche v. DDSA Pharmaceuticals,* was applied.

The mere shortage of time in which the appellants have been using the get-up is not necessarily fatal. Heavy advertising over a short period of time may be sufficient. In *Stannard v. Reay* [1967] RPC 589, 3 weeks' use of the words "*Mr. Chippy*" for a mobile fish and chip business was held to be sufficient for the purpose of granting interlocutory relief. The plaintiffs were trading on the Isle of Wight and had used a van with "*Mr. Chippy*" painted on the van. The defendants who also traded on the Isle of Wight, obtained a van of the same model, decorated it in the same manner and put the words "*Mr. Chippy*" on the van. In *Allen & Co. v. Brown Watson* [1965] RPC 191 the plaintiffs were granted an exclusive licence to print and publish a book within a certain geographical area. It became widely known in the book trade through advertisements and press notices that the book would be published by the plaintiffs in the autumn of 1964. It was held that a month and a half's heavy advertising was considered sufficient for a book title.

In *Malaysia Dairy Industries Pte. Ltd. v. Yakult (Singapore) Pte. Ltd.* [1980] 1 MLJ 202 which involved "*Vitagen"* and "*Yakult*", the plaintiffs applied for an injunction to restrain the defendants from selling or distributing cultured milk drinks in bottles so got up as to be calculated to lead the defendants' product being confused with the plaintiffs' product, or from passing off cultured milk drinks not of the plaintiffs' manufacture as and for the plaintiffs' goods. Chua J said on p. 204:

> *What the plaintiffs have to establish first is that the shape of the Vitagen bottle has become by use in Singapore associated exclusively with the plaintiff's lactic acid drink so that the use of a bottle so shaped will be understood by the trade and public in Singapore as meaning that the goods thus marketed are the goods of the plaintiffs and no one else* (Emphasis is mine). (see *Jarman & Plant Ltd. v. I Barget Ltd.).* The plaintiffs say that they have since April 1977, built up a substantial business in Singapore and Malaysia in their lactic acid drink "*Vitagen*" and the development of the market has been fostered by a skilful and expensive marketing campaign. One important way in which they have succeeded in making their product familiar to the public has been the use of the *Vitagen* bottle which is of unusual and unique shape. This container does not merely have the virtue of a distinctive appearance - it is functional in that the top makes it easy to drink from.

> Let us see how the plaintiffs have developed the market for their "*Vitagen*" in their marketing campaign. The plaintiffs say that one important way in which they have succeeded in making their product familiar to the public has been the use of this unusual and unique shape bottle. Now, if the shape of the bottle was intended to be and had indeed become distinctive of the plaintiffs' product one would expect the bottle to feature as such prominently in all the plaintiffs' advertisements and other publicity material. This has not been done and instead the plaintiffs have sought to teach the public to identify their product by the brand name "*Vitagen*". The advertising emphasis has not been on the shape of the bottle but on the brand name "*Vitagen*" which is a prominently displayed on the containers and is used in advertising material concerning such goods (our Emphasis). There is no statement in the advertisements to say that the public could recognise the plaintiffs' product by the shape of the bottle.

Further at p. 205, Chua J said:

> In my view the plaintiffs have failed to establish that the shape of the *Vitagen* bottle has become by use in Singapore distinctive of the plaintiffs' lactic acid drink ...

Whether or not reputation has been acquired depends very much on the facts of each particular case. In the present case, the cashew nuts or spicy almonds *per se* are not goods which are unique to the appellant; what the appellant has to show is that the packaging is well known in connection with the appellant's business. There is nothing about the shape or the size or the material used in the packaging by the appellant that sets these 2 products apart from the market. There is also nothing distinctive about the use of photographs of the nuts contained within.

The appellant's efforts at promoting the cashew nuts can be described as follows. The advertising efforts began with a Singapore Broadcasting Corporation (SBC) advertising contract which lasted from 15 January 1986 to 11 February 1986. There was also a series of Rediffusion advertisements and sponsored programmes and telephone games and quiz shows. There was also advertising on SBC Radio 3 and 4 programmes in January 1987. The Rediffusion advertising continued until September 1988. Almost all these advertisement were in the Chinese language. The advertisements were by way of non-visual media. The get-up of the cashew nuts and spicy almonds could not have been publicised. In fact, it is a reasonable inference that the words "*Tong Garden*" must have been spoken, and that consumers would be enjoined in the advertisements to look for "*Tong Garden*" and not for the blue and white cashew nuts. It was also stated in evidence that in 1983 and 1984, there were advertisements in Kong Chain, Ang Mo Kio and Cathay cinemas. In so far as trade advertising was concerned there were advertisements in "*Entrepot*" in February 1986, and in some other trade brochures. These advertisements showed a wide range of "*Tong Garden*" products in their various packaging, some of which were in plastic packs or foil packs and others were in cans. The get-up of the plastic packaging was not similar to the foil packaging as the blue arc with white colour separation did not appear. It is also significant that the get-up for the appellant's products have changed from time to time - from the clear plastic pack in 1975, to the narrow foil pack in 1978, to the current broad foil pack in 1983.

The only possible promotion which had some visual content would have been the TV advertisements in 1986 and the cinema slides in 1983. However, there is no indication as to what the contents of the advertisements were. Clearly, they could not have used the almond packaging as the get-up for almonds came into being in 1988. These advertisements were placed soon after the appellant changed from the narrow foil packs to the current broad shape. There is no evidence as to the contents of those advertisements. This is unlike the case of the "*Hacks*" sweets where the trial Judge found that the vast majority of non-English speaking customers who were unable to read the words printed on the wrappers asked for the sweets by describing them as "red paper cough sweets".

Despite the evidence of advertising in Chinese, the managing director of the appellant said in evidence that the English educated would identify the products by the words "*Tong Garden*". There is no evidence as to how the Chinese educated identify the appellant's products, as to whether they rely on "*Tong Garden*", the Chinese characters as and when they appear, the get-up or otherwise. There was a cryptic answer in cross-examination when the managing director said that some customers told him that they bought the products by packaging, but the director in charge of sales and promotion said that the Rediffusion advertisements only emphasised the brand name; "*Tong Garden*" may well be an established name, but not its packaging. The only inference that can be drawn is that the advertising emphasised the brand name and not the get-up.

In our opinion, the case of *Hoffman La Roche v. DDSA Pharmaceuticals* is distinguishable from the present case because, in that case, there was ample evidence of the reputation of the green and black capsules. It was the only green and black capsules on the market for 10 years and more than 328 million capsules were sold in one year. *Roche v. Berk* is applicable because the key factor was the very ordinary appearance of the "*Valium*" tablets, in the present case the appellant's packaging is very ordinary. It is of a common size, of a common shape and of a common material. Furthermore, the public know the appellant's product by name. The identification by name is something which featured prominently in the evidence of the appellant's witnesses.

The facts of *Sodastream v. Thorn Cascade* were rather unusual in that the act complained of was the refilling and marketing of one party's products by another. Moreover it was an application for an interlocutory injunction where the test is different. Thus it has no application here. In our opinion, the *Malaysia Dairy* case is particularly applicable, owing to the fact that in both that case and the present case, the features relied on are common to the trade, and that the advertising was directed to promoting the brand name rather than the packaging. Counsel for the appellant also submitted that this was a case of creeping passing off, by which he meant that the respondent's get-up became progressively more and more like that of the appellant's. Reference was made by him to the cases of *J and J Colman Ltd. v. Farrow and Co.* [1898] 15 RPC 198, *Bryant & May Ltd. v. United Match Industries Ltd.* [1932] 50 RPC 12 and *Boh Plantations Sdn. Bhd. v. Gui Hee Chuan* [1975] 2 MLJ 213. We do not think that these cases assist him because reputation must still be established first. Moreover, there are important differences because in all 3 cases, the get-up which had been registered a trade marks had been in use for many years, ranging from about 20 years to 60 years. There is indeed a clear trend in these cases, with which we concur, which shows that where the get-up has not been registered as a trade mark, it is much more difficult to establish reputation. Conversely, if, in addition to other evidence adduced, the get-up has been registered as a trade mark, it has been easier for a party to establish reputation in the get-up. In the present case, the appellant's get-up had been in use for 5 years, there had been changes in the get-up, it had not been registered as a trade mark, and there is no evidence that the market had identified the get-up with the appellant's products. Therefore, it is our opinion that the appellant has not proven reputation of the get-up of either the cashewnuts or the almonds.

***Misrepresentation***

The law is settled and there is a series of cases for the following propositions from the last century to the present. The test to be applied has been stated in *Newsweek Inc. v. British Broadcasting Corp.* [1979] RPC 441 at 447 which is whether ordinary sensible members of the public would be confused. It is not sufficient that the only confusion would be to a

very small unobservant section of society or as Foster J put it presently, if the only person who would be misled would be a moron in a hurry. It is sufficient that a substantial proportion of persons who are probably purchasers of the goods of the kind in question would in fact be confused. Whether or not there is misrepresentation is always a question of fact to be determined by the Court in the light of evidence of surrounding circumstances. The impression is entirely a matter for the judgment of the Court and not that of the witnesses. All that can be done is to ascertain in every case as it occurs whether there is such a resemblance as to deceive a purchaser using ordinary caution.

In the present case, the misrepresentation alleged is an indirect one. What the appellant is alleging is that the respondent's packaging looks similar to that of the appellant. In such cases the point to be decided is whether, having regard to all the circumstances of the case, the use by the respondent in connection with the goods of the mark, name or get-up in question impliedly represents such goods to be the goods of the appellant or, as it is sometimes put, is calculated to deceive.

It is necessary for the Court to take into account the nature of the purchasing public, the extent of confusion and the way in which confusion arises. The test for comparison of confusingly similar names, marks or other distinguishing indicia is not to compare them side by side but to take into account the fact that confusion which may occur will take place when the customer has in his mind his recollection of the appellant's mark which may well be only an idea of the whole or actual mark. As stated by Lord Radcliffe in *De Cordova v. Vick Chemical Co. Ltd.* [1951] 68 RPC 103 at p. 106:

> the likelihood of deception or confusion in such cases is not disproved by placing the 2 marks side by side and demonstrating how small is the chance of error in any customer who places his order for the goods with both the marks clearly before him, for orders are not placed or often not placed under such conditions. It is more useful to observe that in most persons, the eye is not an accurate recorder of visual detail and that marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole.

In his grounds of decision the learned Judicial Commissioner has said that a mere scrutiny of the appellant's and the respondent's aluminum foil packaging would reveal that there were many differences. On the respondent's packaging, the words "salted cashew nuts" were in red letters behind the white background. The appellant's packaging only showed the words "salted cashew nuts" in white lettering. There was a deer logo on the respondent's packaging and none on the appellant's. Most significantly, the brand names were totally different. The appellant uses its brand name "*Tong Garden*" and the respondent its "*Deer*" brand. Both brand names were prominently displayed in the front of the packages. Under the respondent's packaging, the words "Quality Product" were written behind the pink background with the jagged edge, but there were no such words on the appellant's package. There were also many differences in design on the back of the 2 packages.

The learned Judicial Commissioner went on to say that "in my opinion, no brand conscious consumer would ever be misled into buying one brand for another". There is indeed very little evidence of actual confusion. The first witness for the appellant who was managing director of the appellant said in answer to 2 questions that there was actual confusion. In the first question, when asked what caused him to take action against the respondent, his answer was "When we advertised over the radio, some customers produce the defendants packages wrongly", and further on, in cross-examination, when asked "Do you have any evidence that your customers buy your products by packing?", his answer was "Yes, some

customers told me". This was the extent of the evidence of actual confusion. It seems odd to say the least, that when the appellant advertised over radio, where there cannot be any visual representation, some customers should produce the respondent's packages wrongly. Furthermore, in the second question, as to whether he had any evidence that his customers buy the products by packaging, the answer was "Yes, some customers told me". However, there is no evidence that the customers did not also look at the brand "*Tong Garden*" before purchase. The answer to this question therefore does not support the contention that there is actual confusion. Counsel also referred us to evidence that packages were put on the wrong racks at one particular shop by the customer. In fact, this may show that the prospective purchaser took a packet and when he saw that it was not the correct brand which he wanted, replaced it on the wrong rack. There may be a whole host of reasons why it was replaced on the wrong racks, such as laziness of the customer in replacing the packets etc. But all this is not evidence of confusion.

The learned Judicial Commissioner applied the test of the brand-conscious consumer. This test does not appear to be supported by authority and the authorities in fact show that the test is a purchaser using ordinary caution. Given that there is no evidence of actual confusion, we then looked at the packages at hand and the circumstances of sale. The arguments and remarks of Chua J in the *Malaysia Dairy* case are relevant, Chua J said at p. 205:

> The plaintiffs say that many potential purchasers of the lactic acid drink will be misled, if the defendants are allowed to market their lactic drink in the Yakult bottle, into thinking that the defendants' products are a smaller sized version of the plaintiffs' lactic acid drink. The plaintiffs say that the *Yakult* bottles bear a substantial resemblance in all material respects to those in which the plaintiffs' lactic acid drinks are sold.
>
> I do not agree with the submissions of the plaintiffs. There is no substantial confusing resemblance between the Yakult Singapore bottle and the *Vitagen* bottle. It is true that the bottle shapes are the same. Leaving aside the bottle shape there are numerous and obvious differences in the get-up and appearance as appears from a direct comparison ...

The exhibits include some photographs showing the manner in which the products of both parties are displayed. They are displayed on racks or boxes at provision shops and at a cinema. There is no evidence as to whether people ask for assistance from the shopkeeper, choose on their own accord, ask for "*Tong Garden*" or otherwise. Looking at the various exhibits and taking into account the many differences in the packaging, and the fact that the brand name is important and prominently displayed, we find that there has been no misrepresentation in this case. Furthermore, we should also point out that although illiteracy has been referred to in many of the previous cases, this must be an evaporating consideration in the Singapore of today. We are of the view that an ordinary purchaser using ordinary caution in Singapore would know enough English or Chinese to read the brand name in one of the two languages that appear on the "*Tong Garden*" products regardless whether they are English or Chinese educated.

***Damage***

In an action for passing off, damage is an essential element of the tort and it is necessary to establish that the plaintiff has suffered damage. If the goods in question are in direct competition with one another, the Court will readily infer the likelihood of damage to the plaintiff's goodwill, not merely through loss of sales but also through loss of the exclusive use of his name or mark in relation to the particular goods or business concerned. The inference here is rebutted by the evidence. There is nothing to suggest that the appellant

has suffered any damage. This is borne out by both sets of figures supplied by the appellant and the oral evidence. Using the first set of figures, the appellant's sales have in fact been increasing constantly since 1984. In 1984, the sales of cashew nuts locally amounted to $852,000 in 1985 to $1.05 million, in 1986 to $1.13 million, in 1987 to $1.2 million, in 1988 to $1.5 million and in 1989 to $1.72 million. Sales for the almonds did drop over the 1988/89 period, but this was not explained in evidence.

From 1988 to 1989, when the respondent's products were introduced with a similar packaging to that of the appellant, the appellant's sales in fact increased from $1.5 million to $1.72 million. Any fluctuation in volume arose partly because "*Deer Brand*" was cheaper than "*Tong Garden*" at the wholesale level. A wholesaler said in his examination-in-chief, that "... after I started selling *Deer Brand* my sales of *Tong Garden* products dropped by 30% - 40% ..." However, he went on to say that "... *Tong Garden* nuts are more expensive when I bought it. When I sold to the retailers, the *Tong Garden* nuts are also more expensive. When the retailers sell to the consumers, they sell the two brands at the same price ..." The profit margin was lower on the appellant's products. In cross-examination, he was asked:

Q: When you refer to the reduction of 30% - 40%, what did you mean?

A: I was referring to the reduction of the quantity of *Tong Garden* products.

Q: What quantity were you referring to?

A: Initially, I could sell 6,000 *Tong Garden* packages. It was reduced to 4,000 a month.

Q: What quantity of *Deer Brand* could you sell?

A: I could sell 1,000 to 1,200 packages a month.

Q: What quantity on average a month when you started selling those brand?

A: *Tong Garden* was about 4,000 to 5,000 and for *Deer Brand*, it was about 1,000 to 1,200.

Q: Did the quantity of plaintiffs products increase after that?

A: No. Sometimes may be less. Sales volume varied.

Q: Can you explain the reduction in sales volume of *Tong Garden* products?

A: Business is never stable.

Q: The existence of *Deer Brand* is pure market competition?

A: I cannot answer.

Another witness who from 1979 to 1989 was a sales representative who distributed packaged nuts confirmed this in cross-examination:

Q: You selected the brand?

A: No. Because *Deer Brand* was cheaper and we could make more money from it, so, I would sell them *Deer Brand.*

Q: Did any of your customer ask for *Tong Garden* products?

A: Yes, if they specified *Tong Garden.* Otherwise, I would sell them *Deer Brand.*

It would appear to us on the evidence that the reason why the sale of *Tong Garden* products was reduced in volume was simply that retailers could make more money selling *Deer Brand* than *Tong Garden* products. Therefore, they would choose to buy *Deer Brand* products from the wholesaler rather than *Tong Garden* products. It is thus a reasonable inference that the reduction in sales volume could have been caused by the competition of *Deer Brand*

products. In any event, the possibility of damage was rebutted by the appellant's own evidence; the appellant's sales figures showed that in fact the monetary value of sales increased. As for the likelihood of damage there is absolutely no evidence.

In our opinion therefore the appeal failed on all the three grounds in that the appellant was unable to establish reputation, was unable to show misrepresentation and was also unable to show the likelihood of damage. The appeal was accordingly dismissed with costs.

Also found at [1991] 3 CLJ 2001